

Q&A About the Disaffiliation Process in the North Georgia Conference

The Conference Board of Trustees offers the following information to help church leaders and members fully understand the disaffiliation process. Find the disaffiliation agreement, Book of Discipline Paragraph 2553, and more information at www.ngumc.org/disaffiliation-process-and-information.

If your church's governing body (administrative council, church council) believes your members wish to consider disaffiliating, the first step is to talk with your District Superintendent (DS). It is very important to understand the impact of disaffiliation.

After a church disaffiliates:

- you will be responsible for recruiting and hiring your own pastor(s) and for paying their salary **and benefits**;
- you will have to remove the words "United Methodist" and the cross and flame symbol from your property, any printed materials, and your website;
- you will need to turn in your United Methodist hymnals;
- you will need to legally change your church's name which may require a filing with the Georgia Secretary of State's office;
- you will need to update the name on all bank accounts;
- you will lose the protection of the trust clause for your real property which means that the leadership of your church could sell the property or use it for another purpose without the concurrence of the church membership
- you will no longer be covered under the settlement agreement between The United Methodist Church and the Boy Scouts of America (BSA) for any future sexual harassment claims related to BSA troops if you are currently or have previously been a chartering organization for a BSA troop or pack.

Secondly, you need to consult with (and probably retain) an attorney to advise you about legal matters such as

- maintenance of your non-profit status since you may no longer use the denomination's group tax exemption ruling;
- change in your entity name and whether to incorporate if you are not already incorporated;
- to advise you about your obligations if you own a cemetery;
- to check and change the title to your real property and advise you about any related issues;
- to advise you about the legal fees you should expect to incur.

Paragraph 2553 requires a disaffiliating church to pay any unpaid apportionments for the 12 months immediately prior to the disaffiliation date, and an additional 12 months of apportionments, plus pension withdrawal obligations, direct-bill obligations, other liabilities, and grants. Clergy and others with church permissions may see the pension

withdrawal liability amount and calculated apportionment obligation for their local church in Conference Data Services at any time. The Data Services published amounts are updated on an ongoing basis as churches remit their apportionments monthly and as the overall North Georgia Conference pension withdrawal liability is updated periodically by Wespath based on reviews of actuarial and market factors. Find it in the Church section on the Main Index. The pension withdrawal liability amount on the Data Services page **on the date of the Church Conference** will be the final amount to include in your disaffiliation agreement. However, the apportionment obligation amount may change depending on whether the church continues to pay its monthly apportionment payments up to the disaffiliation date established after the Annual Conference vote to accept the recommendation to disaffiliate.

Lastly, the local church must be and remain in good standing through the Annual Conference session date where the disaffiliation agreement will be presented for approval

Note that there is an expectation of integrity in this process. There should be no secret meetings that the church membership was not aware of to discuss disaffiliation; a church should not allow the spread of false information to convince members to vote in favor of disaffiliation; the church should not willfully withhold apportionments. If a DS determines that any of these have occurred, the DS may refuse to hold a church conference. If there is a church conference that votes in favor of disaffiliation and it is subsequently determined that these circumstances occurred, the Trustees or the Annual Conference session may refuse to approve the disaffiliation agreement.

The following questions and answers are offered to provide greater clarity.

If we decide to pursue disaffiliation, what are the next steps?

You will need to request that your DS schedule a church conference for a vote. Superintendents will receive requests between January 1 and February 28, 2023. The schedule will be set to ensure completion and efficiency (scheduling will not be based on when a request is made). There is no advantage or disadvantage to requesting earlier or later in the window. Note that the district superintendents will not receive any disaffiliation requests from any church prior to the 1st of January, and **they will not receive any disaffiliation requests after February 28th.**

What is involved in the church conference?

The requirements for a church conference are set forth in Sections 246 and 247 of *The Discipline* (per Section 248). This requires notice of the time and place of the conference to **all church members of record**. The DS will preside at the conference. The church conference will elect a secretary to record the minutes (unless the church has already elected a secretary who will do this) and will elect two or more members to serve as tellers to count the votes. The vote will be conducted via a written ballot, which conforms to paragraph 2553. The resolution to disaffiliate is presented and a two-thirds vote of members present and voting in favor of the resolution is required for passage.

Prior to the conference, your pastor should check the Annual Conference Data Services website to determine the amount of the church's pension withdrawal liability. Although the pension withdrawal liability may change quarterly, your payment will be **the amount posted as of the date of your church conference** and will not be subsequently changed. As previously stated, apportionments due will change if the church continues to make apportionment payments monthly. Church staff should also need to identify the amount of the other payments owed such as direct bill obligations, grants and other liabilities and then reconcile the total owed with conference records maintained by Bruce Cooper, NGC Controller.

If two-thirds of the church conference attendees vote to disaffiliate, how do we notify the Annual Conference?

There is a form agreement adopted by the AC for you to complete and sign. The form is at www.ngumc.org/disaffiliation-process-and-information. You will need to fill in the "Payments required to be paid by Section 2553," as well as the name of the church, the date executed, and the name of a contact person. Then have the form signed by an authorized person (administrative council chair, church council chair, trustee chair) and email it to the chair of the conference board of trustees — Julie Childs at juliechilds67@gmail.com.

What happens after a church submits the agreement?

The chair will sign the agreement on behalf of the Conference Trustees and return the signature page with a cover letter that sets out additional steps the church will need to take which are the same as outlined below.

The disaffiliation must be approved by the 2023 Annual Conference in June and, if approved, will be effective immediately upon Annual Conference ratification. Churches then have 30 days to complete the obligations under 2553 which are as follows:

1. Deliver the Payments to North Georgia Annual Conference, 1700 Century Circle, Atlanta, Georgia 30045 or, if you wish to wire funds, you can get instructions after annual conference in June by calling Bruce Cooper at 678-533-1394.
2. Check with your attorney to change the church's name to eliminate the word "United."
3. Remove the words "United Methodist" and the cross and flame symbol from all property, written materials, website, etc.
4. Deliver all United Methodist hymnals to the district office.
5. Deliver records and archives to the Pitts Library at Candler Theological Seminary. For guidelines on the records that need to be delivered, go to www.gcah.org, click on "resources" at the top right, click on "guidelines and publications" and click on "closed local churches" which is in red in the second paragraph. For specific information on delivering records to the Pitts Library, contact Brandon Wason, Curator of Archives at 404-727-1222 or bwason@emory.edu.
6. **If you own a cemetery, ask your attorney what needs to be done to meet the legal obligations for its maintenance. The cemetery is your sole responsibility.**

At this point, a church has completed its obligations to the Annual Conference; however, the church will want to have its attorney prepare and record a properly executed deed to release the property from the trust clause. To do this, the deed your attorney prepares should add the following and you will need to make arrangements to get the DS's signature:

The undersigned, as District Superintendent of the _____ District of the North Georgia Conference of The United Methodist Church, hereby certifies, pursuant to Paragraphs 2540, 2541, and 2553 of *The Book of Discipline of the United Methodist Church*, that the foregoing transfer has been approved by all necessary church authorities and the transfer is made without any ongoing trust clause obligations under the provisions of the Book of Discipline.

District Superintendent _____
of the _____ District
North Georgia Conference
The United Methodist Church

Signed, sealed and delivered,
In the presence of _____
Unofficial witness _____

[SEAL]

Notary Public _____
My commission expires: _____